

Message Text

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ACTION EUR-12

INFO OCT-01 AF-10 ARA-14 EA-12 NEA-10 ISO-00 SOE-02

AID-05 CEA-01 CIAE-00 COME-00 DODE-00 EB-08

DOE-15 H-02 INR-10 INT-05 L-03 NSAE-00 NSC-05

OMB-01 PM-05 ICA-20 OES-09 SP-02 SS-15 STR-07

TRSE-00 ACDA-12 FRB-01 XMB-04 PA-02 /193 W

-----095848 281210Z /45

R 271444Z JUL 78

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC 7357

INFO AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY CARACAS

AMEMBASSY DOHA

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LAGOS

AMEMBASSY LIBREVILLE

AMEMBASSY MANAMA

AMEMBASSY MUSCAT

AMEMBASSY QUITO

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

USINT BAGHDAD

AMCONSUL DHAHRAN

UNCLAS VIENNA 06797

E.O. 11652: N/A

TAGS: EGEN, OPEC

SUBJECT: OPEC INFORMATION CHIEF COMMENTS ON DOLLAR

INDEXING FOR CRUDE OIL PRICING

1. SINCE OPEC SECRETARIAT HAS BEEN MENTIONED IN
VARIOUS REPORTS AS HAVING PLAYED A ROLE IN ALLEGED
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"DECISION" TO CHANGE OIL PRICING FROM DOLLAR BASIS,
EMBOFF CALLED ON INFORMATION CHIEF ZAHERI TO ELICIT
SECRETARIAT COMMENT. ZAHERI EXPRESSED SURPRISE AT
CURRENT FRONT PAGE PRESS COVERAGE OF OPEC CONSIDERATIONS
TO PRICE OIL USING A BASKET OF CURRENCIES INDEX. HE
SAID THE APPROACH IS NOTHING NEW AND HAS BEEN UNDER
STUDY SINCE THE 1975 OIL MINISTERS' CONFERENCE IN

GABON. ALTHOUGH ZAHERI DID NOT DENY THAT A CHANGE WAS UNDER CONSIDERATION, HE POINTED OUT THAT PRESS STORIES WERE BASED ON A SHORT ARTICLE PICKED UP FROM A KUWAITI PAPER. HE EMPHASIZED THAT KUWAITI OIL MINISTER AL-SABAH WAS NOT DIRECTLY QUOTED, AND THAT THE SPECTACULAR MANNER IN WHICH THE ISSUE WAS CARRIED OVERPLAYS

A TOPIC THAT ONLY THE OIL MINISTERS CAN DECIDE AND THEIR NEXT CONFERENCE IS ON DECEMBER 17 IN ABU DHABI. ZAHERI CANDIDLY STATED THAT ALTHOUGH THERE ARE 13 MEMBER COUNTRIES THE DECISION REALLY RESTS WITH IRAN AND SAUDI ARABIA, NEITHER OF WHICH HAS EXPRESSED ANY DESIRE TO ADOPT A CHANGE AT THIS TIME.

2. ZAHERI SPECULATED THAT THE RECENT PRESS PLAY MAY HAVE BEEN AUGMENTED BY FAR EAST BANKING CONCERNS WITH INTERESTS IN WIDE FLUCTUATIONS OF DOLLAR VALUES. WOLF

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Message Attributes

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Draft Date: 27 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
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Disposition Date: 01 jan 1960
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Review Release Event: n/a
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Review Withdrawn Fields: n/a
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Status: NATIVE
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